



An American Jobs Agenda

The key to our economic recovery is to get Americans working again. When Americans are working, they are:

- Paying taxes and our local, state, and federal governments have more revenue to balance their budgets to provide vital services to the people.
- Buying products and creating jobs for those who make and sell those products.
- Utilizing services and creating jobs for those who provide those services.

In Washington, Congressman Don Manzullo is focused on helping our employers put Americans back to work. Washington needs to end the uncertainty to give employers confidence to expand and create jobs.¹ The President should stop threatening tax increases, he must pull back on the massive regulatory burdens proposed this year, and he must focus on real spending cuts. Congressman Manzullo continues his mission to strengthen the American economy and create good-paying jobs for the people of northern Illinois and throughout our nation. His American Jobs Agenda, an on-going action plan, is focused on creating economic opportunities to put Americans back to work.

ACTION ITEMS

1) Reform the tax code to help U.S. companies create jobs, put Americans back to work.

- a) Provide a 20 percent tax deduction for income derived from small business to encourage small businesses to grow.
- b) Eliminate the job-killing “death tax” that destroys family businesses and is scheduled to return with a vengeance to 55 percent in 2013 (H.R. 177; H.R. 1259).
- c) Make permanent the Research and Development (R&D) tax credit and increase the amount of this credit to 25 percent (H.R. 942). The Milken Institute (January 2010) estimates this could generate 510,000 jobs within 10 years. Also, only allow the R&D tax credit to companies that keep 50 percent or more of their production in America (H.R. 871).
- d) Make the current individual tax rates permanent to prevent small employers (85 percent of small business owners pay individual, not corporate taxes) and other Americans from being hit with huge tax increases in the coming years (H.R. 86). Small employers create 65 percent of all net new jobs each year.

¹ On January 26, 2011, the non-partisan Congressional Budget Office concluded in their 10-year budget and economic outlook that “the creation of new jobs may be further hindered by businesses’ continued lack of confidence in the recovery’s sustainability and by remaining limitations on access to credit. Businesses may also be unsure and concerned about how they will be affected by the implementation of recently enacted financial and health care legislation and by possible future changes in tax and other federal policies. Those uncertainties about future policies may be restraining hiring at some firms, but the magnitude of any such restraint is difficult to determine.”

- e) Repeal the 3 percent tax withholding requirement on payments made to government contractors (H.R. 674).
- f) Increase the meals and entertainment tax deduction to 80 percent for small business (H.R. 468).
- g) Adjust business tax rates to be more competitive (H.R. 609). The Milken Institute (January 2010) estimates that bringing down the corporate tax rate to the average charged by other industrialized nations could generate 2.13 million jobs by 2019.
- h) Manzullo authored the *Mechanical Insulation Installation Incentive Act of 2011* (H.R. 2866) to provide a 30 percent tax deduction to better insulate commercial buildings, which could immediately generate 25,000 jobs.
- i) Repeal the 2.3 percent excise tax on medical devices that was imposed under the President's new health care law (H.R. 436) before it goes into effect in 2013 in the effort to prevent the loss of 43,000 jobs, according to an economic study by Drs. Furchtgott-Roth (September 2011) of the Manhattan Institute.
- j) Make permanent the treatment of farming business machinery and equipment as 5-year property (H.R. 1747).
- k) Terminate the Internal Revenue Service (IRS) tax code and start all over again (H.R. 462).

2) Level the playing field for American companies doing business in the global marketplace while reforming our export control policies to help U.S. companies sell more goods overseas, create American jobs. Trade is important to northern Illinois – according to a Brookings Institution study (2010), the Rockford metropolitan area exported \$3.3 billion worth of goods and services in 2008, representing 22 percent of Rockford's GDP, making Rockford the most export-intensive city in all of Illinois and 24th in the entire nation.

- a) Fight foreign currency manipulation that harms American manufacturers. Manzullo co-authored the *Currency Reform and Fair Trade Act* (H.R. 639) to include currency misalignment or manipulation as a government subsidy in order to allow U.S. companies to file a trade case against foreign competitors to obtain higher countervailing duties or tariffs against imports that receive an unfair trade advantage of a deliberately devalued foreign currency.
- b) Enforce our trade laws:
 - (1) February 24, 2011 – after urging by Manzullo and others, the Pentagon awarded the next generation aerial refueling contract to Chicago-based Boeing after the World Trade Organization (WTO) ruled that Europe's Airbus received illegal government subsidies from the European Union. Aerospace companies in northern Illinois employ hundreds of workers supplying \$180 million worth of product to Boeing each year.
 - (2) March 31, 2011 – in his capacity as Chairman of the Asia and Pacific Subcommittee of the House Foreign Affairs Committee, Manzullo held an oversight hearing on trade enforcement, particularly in China. The hearing examined currency manipulation, piracy, and illegal government subsidies that put American manufacturers at a huge economic disadvantage.
 - (3) June 7, 2011 – China ended certain wind power equipment subsidies after the U.S. successfully challenged China's practices before the WTO following an investigation requested by Manzullo and others last year. Northern Illinois is developing a niche wind power energy industry.
 - (4) July 5, 2011 – at the instigation of the United States, the WTO found that export restraints imposed by China on several key industrial raw materials were in violation of international trading rules. Manzullo hailed this WTO decision because it also sets the precedent to halt China's other export restraints on "rare earth" minerals. Dozens of northern Illinois firms use these critical "rare earth" minerals to produce sophisticated high-end products used in aviation, automotive, and renewable energy industries.
 - (5) September 23, 2011 – Manzullo is an original co-sponsor of the *Enforcing Orders and Reducing Circumvention and Evasion (ENFORCE) Act of 2011* (H.R. 3057) to prevent unscrupulous

importers from evading, through transshipment to another country, higher tariffs that resulted from the successful prosecution of an unfair trade case.

- c) Voted October 12, 2011, to further open three overseas markets to more U.S. goods and services through the enactment of the Korean-U.S. (KORUS), the U.S.-Colombia, and the U.S. Panama Free Trade Agreements (FTAs). The independent U.S. International Trade Commission (USITC) estimates that these three agreements would increase U.S. exports by about \$13 billion, creating up to 250,000 jobs. Because of the intensity of exports from northern Illinois, these three market-opening agreements will help find new export opportunities for IL-16 companies, such as MCJ Eyecheck of Rockford and WaterSurplus of Loves Park, to sustain and create jobs. All three trade agreements signed into law.
- d) Pursue new U.S. export opportunities through the Trans-Pacific Partnership (TPP), a proposed tariff-reducing trade agreement between the United States and eight Pacific Rim nations. As Chair of the Asia Subcommittee, Manzullo participated in a crucial TPP forum earlier this year in New Zealand. He is closely monitoring the negotiations, especially to ensure that any agreement includes protection and enforcement of intellectual property rights so that products and ideas that originate among workers for northern Illinois firms and throughout the United States are not stolen by unscrupulous foreign buyers.
- e) Continue to work with key stakeholders in the federal government, U.S. industry, our partner and allied nations, and academia to update and modernize our nation's export control laws so that U.S. high technology products, to which there are equivalent foreign competitors, are not disadvantaged in sales abroad. The Milken Institute (2010) estimates that export control modernization could generate 340,000 jobs by 2019.
 - (1) Manzullo is closely monitoring the July 15, 2011, proposed regulation on moving items to the list of commercial items that no longer warrant being on the more restrictive munitions (weapons) list, such as trucks.
 - (2) Manzullo will shortly co-introduce bipartisan legislation to move commercial communication satellites from the munitions list to the commercial list in light of the loss of market share and jobs in the U.S. satellite industry over the past decade.
- f) Support aggressive export promotion efforts that help small- and medium-sized enterprises (SMEs) identify export opportunities overseas and secure trade financing.
 - (1) Manzullo authored the *Overseas Private Investment Corporation Reauthorization Act of 2011* (H.R. 2762) to renew a self-sustaining agency that has helped generate \$74 billion in U.S. exports and supported more than 275,000 American jobs since 1971.
 - (2) Manzullo co-sponsored the *Securing American Jobs Through Exports Act of 2011* (H.R. 2072) to reauthorize the Export-Import Bank of the United States, which is also a self-sustaining agency, that has helped support \$31.5 billion of U.S. export sales and 213,000 American jobs thus far this fiscal year.
 - (3) Manzullo is an original co-sponsor of the *American Export Promotion and Job Creation Act* (H.R. 2987) to strengthen the overall coordination of the nation's current export promotion programs with the goal of increasing overseas sales of American-made goods and American-provided services.

3) Review and eliminate burdensome and unnecessary government regulations that stifle economic growth and cost American jobs.

- a) Rep. Manzullo joined House Speaker John Boehner and House Majority Leader Eric Cantor in urging the President to halt all new rules and regulations deemed harmful to job creation. There are currently 219 proposed rules in the approval pipeline that would each cost the economy more than \$100 million annually. On September 2, 2011, Manzullo praised President Obama for taking the first step when he withdrew a proposed Environmental Protection Agency (EPA) stricter ozone standard that would have cost employers more than \$90 billion annually without producing a commensurate environmental benefit.

- b) Voted February 11, 2011, for H.Res. 72 to require all House committees to inventory and review existing, pending, and proposed regulations and other administrative actions.
- c) Voted March 3, 2011, for the *Small Business Paperwork Mandate Elimination Act* (H.R. 4) that repealed a requirement in the President's health care law forcing all businesses and rental property owners to send to the IRS a 1099 tax form for every cumulative purchase of \$600 from another business. Signed into law (Public Law No. 112-9).
- d) Voted March 31, 2011, to reduce regulatory confusion by allowing farmers to comply with just one set of rules governing the use of pesticides (H.R. 872).
- e) Voted April 7, 2011, to prevent the Obama Administration from implementing a "cap and trade (tax)" system on carbon emissions by regulatory fiat (H.R. 910), which was estimated by the Brookings Institution (June 2009) to depress employment by 0.5 percent (or 8 million jobs) over the next 10 years.
- f) Voted July 13, 2011, to restore the long-standing relationship between states and the EPA as co-regulators under the Clean Water Act and preserve the authority of each state to make determinations relating to the state's water quality standards and permitting (H.R. 2018).
- g) Voted September 23, 2011, for the *Transparency in Regulatory Analysis of Impacts on the Nation (TRAIN) Act of 2011* (H.R. 2401) to establish an interagency committee for the cumulative economic analysis of certain significant EPA regulations that impact energy and manufacturing in the United States. In addition, H.R. 2401 will delay the final date for two of the rules being analyzed – one impacting utility boilers and one addressing interstate emissions – until the impact of the collection of regulations is fully understood.
- h) Voted October 6, 2011, for the *Cement Sector Regulatory Relief Act of 2011* (H.R. 2681) that directs the EPA to re-propose new, less harmful rules affecting cement manufacturing plants within 15 months and extends compliance time from 3 to 5 years in order to avoid the potential shutdown of almost 20 percent of the domestic cement industry, thus saving up to 25,000 jobs.
- i) Voted October 13, 2011, for the *EPA Regulatory Relief Act of 2011* (H.R. 2250) to provide additional time and guidelines to the EPA to develop achievable rules for reduction of emissions of hazardous air pollutants from industrial, commercial, and institutional boilers, process heaters, and incinerators in the effort to preserve 224,000 jobs.
- j) Voted October 14, 2011, for the *Coal Residuals Reuse and Management Act* (H.R. 2273) to facilitate the recovery and reuse of coal combustion residuals and not treat coal ash, which is used in numerous applications such as roads and bridges, as a hazardous waste, in the effort to preserve up to 316,000 jobs.
- k) Require Congress to vote on major regulations before they go into effect (H.R. 10, REINS Act).
- l) Prevent the EPA from regulating farm dust (H.R. 1633).
- m) Give more power and authority to the independent Chief Counsel at the Office of Advocacy at the Small Business Administration (SBA) to challenge poorly-crafted Executive Branch regulations to ensure proposed rules do not hinder the small business sector (H.R. 527).
- n) Overturn bad rules that threaten American jobs. Manzullo is leading the charge against a flawed decision by National Toxicology Program (under the U.S. Dept. of Health and Human Services) to label styrene as a cancer-causing substance. Styrene is a basic ingredient in products such as plastics, fiberglass, and composites, and the government ruling – based on faulty science – could unnecessarily threaten nearly 1 million workers who are employed in the third largest manufacturing industry in America. Instead, Manzullo is encouraging policymakers to use the independent and reputable National Academies of Sciences to reach scientifically-valid conclusions about styrene.
 - (1) On July 18, 2011, Manzullo co-authored a letter, with House Manufacturing Caucus co-chair Rep. Tim Ryan (D-OH), to the Chairmen of the House Energy and Commerce Committee and the House Small Business Committee urging their committees to hold a hearing on this issue.
- o) Prohibit federal government employees from performing inherently commercial functions, opening up 850,000 jobs to competition and saving the taxpayer \$27 billion over five years (H.R. 1474)

4) Continue to educate fellow Members of Congress on the importance of American manufacturing to our economy through the bipartisan House Manufacturing Caucus Rep. Manzullo co-founded with Rep. Tim Ryan (D-OH) in 2003.

- a) More than 80 Republican and Democratic Members of Congress participate in the Manufacturing Caucus today.
- b) The Manufacturing Caucus has been active in supporting various bipartisan pieces of legislation regarding the automotive and steel industries, a national manufacturing strategy, patent reform, export control reform, and smart technology integration.
- c) In 2011, Manzullo launched a webpage, e-mail updates, and Facebook and Twitter pages for the Manufacturing Caucus to share news and information about the caucus to the public.
- d) Member educational events hosted by the Manufacturing Caucus thus far in the 112th Congress (2011-2012) include:
 - (1) February 9, 2011 – “Investing in America: Policies for Economic Growth and Competitiveness”
 - (2) March 3, 2011 – “Trade Adjustment Assistance (TAA) for Firms”
 - (3) March 16, 2011 – “Promoting High-Tech Jobs in America”
 - (4) April 20, 2011 – “Commercial Aircraft Market and Export Financing”
 - (5) May 10, 2011 – “Solving the Skills Gap in American Manufacturing”
 - (6) June 16, 2011 – “Foreign Trade Zones: U.S. Competitiveness, Manufacturing Jobs, and Exports”
 - (7) July 26, 2011 – “The Resurgence of America’s Manufacturing”
 - (8) October 5, 2011 – “New Developments in Domestic Rare Earth Elements Production”
- e) Manzullo is the lead Republican co-sponsor of the *National Manufacturing Strategy Act of 2011* (H.R. 1366) to require the development of a quadrennial review of the state of our nation’s manufacturing sector to provide a means of setting national policy direction to support domestic economic growth in manufacturing.
- f) Manzullo is the lead Republican co-sponsor of the *Manufacturing Reinvestment Account Act of 2011* (H.R. 110) to establish a tax-free manufacturing reinvestment account (MRA) of up to \$500,000 to be used to invest in machinery, facilities and job training.
- g) Co-sponsored the *Bring Jobs Back to America Act* (H.R. 516) that would comprehensively realign existing federal funding – at no new cost – to organize a national strategy to rebuild America’s manufacturing industry, study incentives including tax breaks for companies looking to return jobs to the United States, and streamline the patent process for American research universities and bring innovative technologies to market faster.
- h) Co-sponsored the *AMERICA Works Act* (H.R. 1325) to require job training and career development education programs to give priority to programs that provide an industry-recognized and nationally portable credential (similar to a college diploma).
- i) Co-sponsored the *National Strategic and Critical Minerals Policy Act of 2011* (H.R. 2011) to bring back mining of “rare earth” minerals to the U.S. in order to reduce our dependence upon China for these critical products, such as strong permanent magnets, for America’s high-tech manufacturers.
- j) On September 21, 2011, Manzullo chaired a hearing before the Subcommittee on Asia and the Pacific of the House Foreign Affairs Committee on the implications for U.S. foreign and security policy of China’s monopoly on rare earth minerals, with witnesses throughout the manufacturing supply chain, including senior executives from Molycorp (producer of rare earth oxides), Arnold Magnetic Technologies (maker of rare earth magnets for high-end applications with a manufacturing facility in Marengo, IL), and Danfoss North America (requires rare earth minerals to manufacture high-efficiency chillers in Loves Park, IL)
- k) Support the retention of the 220-year old “first to invent” patent system in the United States.

- 5) Reform our government procurement policies and require federal agencies to follow “Buy American” laws” to ensure our government is doing business with companies in the United States.**
- a) Enforce the “Berry Amendment,” which requires the Pentagon to buy certain products (such as textile and specialty metals) only from America. Manzullo and Rep. Tim Ryan (D-OH) were instrumental in forging an agreement with the U.S. government and industry to enforce the Berry amendment that helped rescue America’s three remaining titanium manufacturers. Manzullo also stopped the U.S. Army from purchasing berets made in six countries abroad, including China. This resulted in the movement of beret manufacturing back to America.
 - b) Require uniforms purchased by the Department of Homeland Security (DHS) for its law enforcement personnel be made in America (H.R. 679).
 - c) Require the House and Senate to buy American-made products for its own internal purchases (H.R. 1239).
 - d) Express strong disapproval of the purchase of any defense item, including the President’s helicopter, from any entity in China or under Chinese control (H.Res. 106).
 - e) Have a “time-out” on allowing any more countries, particularly China, to join the Government Procurement Agreement (GPA) at the WTO that removes domestic sourcing preferences in what the U.S. government buys.
- 6) Make health care more affordable and accessible to Americans without a government takeover that would cost millions of jobs, reduce quality and choice, and increase our debt for generations to come.**
- a) Repeal the President’s job destroying health care law and replace the bad elements of the new law with positive-market-oriented solutions. On January 19, 2011, Manzullo voted for H.R. 2 to repeal the health care law because the employer-mandate alone is estimated to cost up to 5 million jobs. He also co-sponsored H.R. 127 to disapprove any funding to implement the Democratic health care law.
 - b) Pursue significant medical lawsuit reform to reduce costs and discourage unnecessary tests (H.R. 5), estimated to save \$54 billion in federal spending over the next 10 years.
 - c) Allow the self-employed to purchase health care insurance before paying the Social Security/Medicare payroll (FICA) tax, effectively reducing premiums by nearly 15 percent (H.R. 880).
 - d) Provide more tax incentives to encourage individuals to purchase consumer-driven Health Savings Accounts (HSAs), which have reduced costs significantly for many Americans (H.R. 369).
 - e) Allow individuals to purchase health care insurance across state lines in the search for the best and most affordable plan (H.R. 371)
 - f) Give individuals the same tax treatment to purchase health insurance as employers.
 - g) Create refundable tax credits to help low-income Americans purchase health insurance.
 - h) Preserve high-quality health care through America’s community health clinics.
 - i) Enhance state high-risk pools to provide more coverage for those with medical pre-existing conditions.
 - j) Eliminate yearly and lifetime caps on insurance payments.
 - k) Allow dependent young adults to remain on their parent’s health insurance plan until age 26.
- 7) Enact an “all you can create” energy plan that promotes innovation, conservation, and responsible production of energy as a way to achieve America’s energy independence and a cleaner, healthier planet because every one cent increase in the price of gasoline removes \$1 billion from the U.S. economy.**
- a) Support the *Roadmap for America’s Energy Future* (H.R. 909) that would implement a comprehensive energy strategy to reduce our dependence on unstable sources of foreign energy, providing a cleaner environment, and putting Americans to work by:
 - (1) lifting restrictions on the Arctic National Wildlife Refuge (ANWR), the Outer Continental Shelf (OCS), and oil shale in the Mountain West;
 - (2) tripling our nation’s nuclear energy capacity (zero carbon emissions); and

- (3) establishing a renewable energy trust fund to spur the mass deployment of affordable alternatives, funded by revenue generated by new fossil fuel development.
 - b) Voted May 5, 2011, for *Restarting American Offshore Leasing Now Act* (H.R. 1230) to require the Interior Department to conduct certain offshore oil and gas lease sales in the Gulf of Mexico and off the coast of Virginia.
 - c) Voted May 11, 2011, for *Putting the Gulf of Mexico Back to Work Act* (H.R. 1229) to facilitate the safe and timely production of American energy resources from the Gulf of Mexico, which would support over 36,000 jobs.
 - d) Voted May 12, 2011, for *Reversing President Obama's Offshore Moratorium Act* (H.R. 1231) to require that each five-year offshore oil and gas leasing program offer leasing in the areas with the most prospective oil and gas resources and to establish a domestic oil and natural gas production goal.
 - e) Voted June 22, 2011, for the *Jobs and Energy Permitting Act* (H.R. 2021) to eliminate permitting delays on offshore oil and gas production permits off the coast of Alaska, which would support 63,500 jobs.
 - f) Voted July 26, 2011, for the *North American-Made Energy Security Act* (H.R. 1938) to give the President until November 1, 2011, to make a decision on the Keystone XL pipeline project to bring in oil from Alberta, Canada into the United States, directly creating 20,000 construction and manufacturing jobs.
 - g) Require the White House Council on Environmental Quality (CEQ) to issue a report once a year on permits for which Environmental Impact Statements (EIS) are pending (H.R. 1049) to explain the rationale for any delays.
 - h) Co-sponsored the *Consumer Relief for Pain at the Pump Act* (H.R. 1777) to increase America's domestic production of energy resources, make the United States more self-reliant, and set our nation on a path to greater energy security. According to a September 2011 study by the consulting firm Wood Mackenzie, expanded oil and gas development in the U.S. could add 1.1 million U.S. jobs over the next 10 years.
- 8) Get basic infrastructure projects rolling, away from Washington in-fighting**
- a) Reauthorize the core highway, transit, aviation, and water resource programs, using the existing user fee structure to pay for these projects. Washington should not continue to argue over a comprehensive "wish list" bill but instead fund infrastructure improvement projects now as gas tax and other revenue becomes available. This proposal would provide much-needed certainty and relief, particularly to those in the struggling construction sector.
 - b) Lift the requirement that 10 percent of highway spending be devoted to projects such as historic preservation, museums, or the purchase of scenic easements and use those resources to build roads.
 - c) Support the capital improvement projects of Amtrak, including the inter-city service between Chicago and Dubuque, Iowa, with stops in Rockford, Freeport, and Galena.
- 9) Consolidate and streamline America's job training programs to eliminate overhead and deliver more services to those seeking to upgrade their skills in their job search, with a particular focus on helping post- 9/11 veterans find employment.**
- a) The President's Fiscal Commission identified more than 44 job training programs across nine different federal agencies and recommended consolidation in order to save money and improve delivery of this critical service. These programs need to become less costly and more efficient so they provide training for jobs that actually exist. Job-training assistance should be delivered through a "one-stop shop" system in which priority consideration would be given to state and local programs that lead to an industry-recognized and nationally portable credential (similar to a college diploma) that is in high demand in the local area.
 - b) Voted October 11, 2011, for the *Veterans Opportunity to Work Act of 2011* (H.R. 2433) to make a variety of improvements to employment and training programs for veterans. In particular, H.R. 2433

would provide an opportunity for up to 100,000 unemployed veterans aged 35 to 64 to gain new skills by offering them the same education and training benefit as offered to younger, recently discharged post-9/11 veterans.

- c) Temporarily increase for two years the Work Opportunity Tax Credit (WOTC) for hiring veterans discharged or released from active military duty after September 11, 2001 (H.R. 1312).
- d) Improve federal transition, rehabilitation, vocational, and unemployment benefits to members of the Armed Forces and veterans (H.R. 1941, *Hiring Heroes Act of 2011*).

10) Secure America's borders, create mandatory work authorization verification, and reduce illegal immigration through interior enforcement.

- a) No amnesty for illegal immigrants who bypassed the rules and still reside in the United States.
- b) No expansion of current visa policies during times of high unemployment in order to free up all potential jobs for Americans to possibly fill.
- c) Prohibit so-called "sanctuary cities" that harbor illegal immigrants (H.R. 1134).
- d) Co-sponsored the bipartisan *Secure America Through Verification and Enforcement (SAVE) Act of 2011* (H.R. 2000) that takes a three-pronged approach to combat illegal immigration through increased border security, mandatory worker verification through the E-Verify system, and improved interior enforcement.
- e) Allow the Department of Homeland Security to indefinitely detain (subject to review every six months) certain immigrants awaiting deportation, including aggravated felons and violent criminals (H.R. 1932).
- f) Oppose Social Security payments to illegal immigrants (H.R. 787) to eliminate one incentive to come to the United States and take a job away from a legal resident of America.

(END)